

AMENDED IN SENATE MAY 1, 2007

SENATE BILL

No. 829

Introduced by Senator Wyland

February 23, 2007

An act to amend ~~Sections 987.65 and 987.655~~ *Section 987.65* of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

SB 829, as amended, Wyland. Veteran benefits.

The Veterans' Farm and Home Purchase Act of 1974 authorizes the Department of Veterans Affairs to assist veterans in acquiring homes and farms by generally providing that the department may purchase a farm or home which the department then sells to a purchaser, as defined. Existing law limits the amount that the department may expend for purchasing a mobilehome that is to be sited in a mobilehome park, as defined, to \$125,000.

This bill would raise the amount that the department may expend for purchasing a mobilehome that is to be sited in a mobilehome park to \$175,000.

~~Existing law requires the department to charge an interest rate that is 1% higher for mobilehomes that are sited in a mobilehome park, as defined, than that which is charged to purchasers of conventional housing or certain mobilehomes on a lot owned by a purchaser.~~

~~This bill would instead authorize the department to charge an interest rate at a minimum of 1% higher than the interest charged to purchases of conventional housing or certain mobilehome on a lot owned by a purchaser.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 987.65 of the Military and Veterans Code
2 is amended to read:

3 987.65. (a) The purchase price of a home to the department,
4 or the sum to be expended by the department pursuant to a contract
5 for the construction of a dwelling house and other improvements,
6 or the purchase price of a mobilehome sited on a lot owned by the
7 purchaser and installed on a foundation system pursuant to Section
8 18551 of the Health and Safety Code, or the purchase price of a
9 mobilehome converted to a fixture and improvement to the
10 underlying real property in a mobilehome park that has been
11 converted to a resident-owned subdivision, cooperative,
12 condominium, or nonprofit corporation as set forth in Section
13 18555 of the Health and Safety Code, shall not exceed 125 percent
14 of the then current maximum Fannie Mae loan limit that is annually
15 set by Fannie Mae for a single-family home.

16 (b) The purchase price of a mobilehome that is to be sited in a
17 mobilehome park, as defined in Section 18214 of the Health and
18 Safety Code, in addition to any assistance provided by the
19 department to a veteran pursuant to subdivision (e) of Section
20 987.85, may not exceed one hundred seventy-five thousand dollars
21 (\$175,000).

22 (c) A veteran purchasing the home may advance, subject to
23 Section 987.64, the difference between the total price or cost of
24 the home and the sum of the purchase price of the home to the
25 department and any amount the department adds, under Section
26 987.69, to the purchase price of the home in fixing the selling price
27 to the veteran. Any amount of the purchase price to the department
28 may be provided by funds from participation contracts or revenue
29 bonds.

30 (d) The purchase price of a farm to the department shall not
31 exceed 150 percent of the limit described in subdivision (a). A
32 veteran purchasing the farm may advance the difference between
33 the total price of the farm, or the cost of the dwelling and
34 improvements to be constructed on a farm under a contract, and
35 the sum of the purchase price to the department or contract price
36 to the department and any amount that the department adds, under
37 Section 987.69, to the purchase or contract price to the department
38 in fixing the selling price of the farm to the veteran.

1 ~~SEC. 2.— Section 987.655 of the Military and Veterans Code is~~
2 ~~amended to read:~~

3 ~~987.655. For a mobilehome which is to be sited in a~~
4 ~~mobilehome park as defined in Section 18214 of the Health and~~
5 ~~Safety Code, the department shall charge a rate of interest at a~~
6 ~~minimum of 1 percent higher than that which is charged to~~
7 ~~purchasers of conventional housing or of a mobilehome sited on~~
8 ~~a lot owned by the purchaser.~~

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